

The New REPUBLIC

A Journal of Opinion

VOLUME XX

New York, Wednesday, September 3, 1919

Number 252

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The Week

AMERICANS must surely be thankful that in Paris we had one statesman unafraid to speak the truth loudly. It is to Herbert Hoover more than to anyone else that credit is due for averting an entente between the Peace Conference and a new Hapsburg monarchy. Declaring it "no time to deal with the Hungarian people by hints or innuendos," Mr. Hoover attacked the fashion in which the Allies first invited the Hungarian trade unionists to set up a moderate socialist government, and then abandoned them flatly. "Reaction like that in Hungary," he asserted, "will revive Bolshevism all over Europe. If we hoped Bolshevism would die a natural death in Russia we have done more to prevent that death by tolerating a Hapsburg than by any other means we could have designed in a hundred years."

MR. HOOVER'S protest drove the Peace Conference to action which our own timid delegation in Paris should immediately and emphatically have demanded. It is a late day to redeem the prestige lost by Allied policy in Hungary—and a late day, too, for the Hungarians to redeem their own democracy. The new Cabinet, if it is to be

headed by Baron Perenyi, seems a better reproduction of the regime of the Archduke Joseph than of the democratic Peidl government set up by the trade unionists. Nor can Hungary regain her democracy, or even reestablish order, while a Rumanian army remains in Budapest. "Rumania," Mr. Hoover says, "is still taking food from Hungary in defiance of the Peace Conference—taking it before the face and eyes of Allied representatives and officers representing the American Relief Commission—taking it despite protests made every hour. Three or four days ago the Rumanians removed all the food, milk and medicine from the Children's Hospital of Budapest. Eighteen children died the next day because there was nothing to give them."

PRESIDENT WILSON'S appeal for a truce in the struggle for higher wages will carry great weight with the employing classes, little weight with economists and none at all with labor. The demands of the railway shopmen, and likewise those of other classes of labor imply, according to the President's reasoning, increases in wages which are likely to be permanent in order to meet a temporary situation—high living costs—"that will last nobody can certainly tell how long, but in all probability only for a limited time." That is, the final result might be that labor would be permanently better off than it is today, if the increases were granted. But that is one of the things that labor is driving at. Besides, argues the President, if wages are raised, the herculean efforts of the government to reduce prices will be defeated. Higher wages amount to higher costs, and these in turn amount to higher prices. If this reasoning were conclusive, and lower prices in themselves a desideratum, why does not the President propose to reduce wages? Lower wages; lower costs; lower prices—the sum-mum bonum—is an equally good logical chain. The weak links in the two chains are identical. Wages are not the whole of costs, but at most rather more than half, taking the productive process as a whole. A ten per cent increase in wages does not necessarily imply more than a five per cent increase in prices. The winning of higher wages is not then a case of bootstrap levitation, as the President assumes. It is a rational method of reducing the margin between inflated prices and wages not so inflated.

ANY one who will go to the trouble of examining the history of labor successes and failures in the United States,

or for that matter in any other industrial country, will find no difficulty in verifying the general principle that most successes are won in periods of rising prices while periods of falling prices are distinguished by frequent and disastrous labor defeats. Improvements in labor standards are established in periods of prosperity; in periods of depression about the best that labor can do is to keep a substantial part of its winnings. This is so clear to every intelligent workingman that it seems to him a part of the elementary knowledge that a child drinks in with his mother's milk. Naturally he rubs his eyes when the President of the United States proclaims in effect: "We are at the peak of a period of inflation; therefore it is very unwise to move for higher wages. Let labor sit tight until falling prices and business depression are upon us. Then, my children, you may agitate for higher wages."

IN the hands of the United States Steel Corporation rests power to decide in a large degree what course the development of industrial relations shall follow during the next few years. Representatives of twenty-four unions concerned in the steel industry have made demands that include the right of collective bargaining, the establishment of an 8-hour day, abolition of the 24-hour shift, provision of one day's rest in seven, increase in wages sufficient to guarantee an American standard of living, and a standardization of wage scales for all crafts and classifications of workers. To enforce these demands 98 per cent of the workers voting on the issue have empowered their representatives to call a strike if necessary. There has been much discussion lately of industrial democracy and of the readiness of employers to meet legitimate demands of their employees without any drastic reorganization of industry. The good faith of such statements is now put to a test.

AT a time when there is more industrial unrest than the country has ever known the War Labor Board is permitted to cease functioning. It dies because no one is interested in keeping it alive, despite its fifteen months of experience and its adjustment of twelve hundred disputes. No funds are left to keep it running. Congress provided none, and the President made no request of Congress. As a result we are left with no federal agency to mediate between capital and labor save one entirely inadequate bureau in the Department of Labor. Large employers, particularly those who have had adverse decisions, may rejoice in the death of the War Labor Board. It is not their triumph, however. The Board, with its records and experience, was clearly an influence for orderly adjustment. With its suspension, public participation in the adjustment of controversies is very largely withdrawn.

IF it was desirable that China should be given an honest settlement of her claims, then only one course was possible for the Senate Committee on Foreign Relations—and that course the Committee has followed. There is no use failing to see facts. Japan may name definitely a year, month, and day for the return of political sovereignty in Shantung. That is of secondary importance so long as she retains economic sovereignty in the province. Mr. Wil-

son told the Senators in his White House conference that political sovereignty was the essential factor. But what does political sovereignty mean—when a country loses one of its greatest ports, all cable communications to that port, all mineral resources, and a railway leading straight towards Peking—an open road for any Japanese army?

BY various Democratic Senators it is asserted that this action of the Committee constitutes no solution for the problem that faced the Senate. The treaty, they say, will now have to go back to Paris for consideration—and then there is no telling what may happen. Germany (never consulted in the original framing of the treaty) will suddenly find power to enforce her own demands for amendments. England and France, bound by their secret treaties, will take the side of Japan—and there may even be a new anti-American alliance. For our own part we do not share these fears. American support is something for which the Powers of Europe will bid our own price, if we ask it. And we should ask it only in the interests of world peace. For the Versailles settlement of China's claims, if not definitely revised, is a certain promise of war in the Far East.

SO far as we know, a recent address in Parliament by Lord Robert Cecil on the question of Russian intervention has received no attention in the American press. From the Manchester Guardian's account of that address we quote this passage, an indication of what one conservative British Unionist is thinking: "Lord Robert fully agreed about the folly of 'smashing Bolshevism.' He did not believe there was anybody really prepared to advocate a policy of that kind. ('Oh.') Well, there might be a few. But the talk of marching an army into that gigantic country and seizing Moscow—all that kind of thing was fantastic nonsense. (Cheers.) If it could be done it would not be the least use. Bolshevism was a creed, an idea, and we should not smash it by seizing Moscow, but on the contrary should give its sympathizers the excuse for saying that but for our intervention it would have succeeded. . . . If the Allies, acting together, could lay down broad lines and tell these various factions and governments they were to be content to remain within these lines . . . he should be warmly in favor of it."

IT is plain that the administration in Washington faces a time limit on its use of American troops to keep the Siberian railways open for Admiral Kolchak. During the week a delegation from Chicago appeared in Washington with a petition bearing 100,000 names, urging the immediate recall from Siberia of draft troops in the 27th and 31st Infantry regiments. The delegation was received by Mr. Wilson, who declared that as rapidly as new recruits can be enlisted and equipped they are being shipped to Siberia to relieve the draft men. This policy indicates a fairly early return of the conscripted soldiers—but why are any troops at all being used in a country against which Congress has never declared war? The delegation from Chicago has put its case before a committee of the House. And if the committee members are in touch with the growing resentment throughout the country against the use

of American troops as a spearhead for Russian reaction they will see this issue through to its end.

WITH French and British interests clashing in Asia Minor, Japan seizing territory from China, and Italy still quarreling with the Yugoslavs, it is not surprising that conditions in the Balkans grow continually worse. The little states are being treated to an example in profiteering by their peers—and boundary disputes are making the Balkans ready for another war. Serbia feels that Rumania was given too much of the Banat—but Rumania complains because she got no more. Albania sends a cable to the American Senate, protesting against the "imperialism" of Serbia, Italy and Greece. In Balkan politics the single encouraging development of recent weeks is news that the American solution may be accepted for Thrace. Why? Because, says a correspondent to the New York Times, "not having been at war with Bulgaria, America had a free hand"—and all parties accordingly bid for our support. There is a practical demonstration here of the claim that until the governments of Europe have changed, American influence will be greatest where it is not pledged in advance.

AUSTRIA'S reply to the Peace Conference is kept secret, but its text is summarized by a correspondent of the New York Globe in a cable from Paris. The terms of the treaty, Austria declares, are impracticable. The new government obviously cannot refuse to do what it is forced to do, but it dislikes signing engagements which are impossible of fulfillment. The frontiers are unjust and deliver over many German-Austrians to other states. Elections have shown that 33 per cent of the voters in Bohemia, 20 per cent in Moravia and 66 per cent in Silesia are Germans. Three million Germans, the Austrians say, are shut up within the new borders of Czechoslovakia alone. Finally, Austria protests against the nature of the payments demanded as reparation. In the first place, how can cattle be surrendered when Mr. Hoover is today obliged to supply Austria with condensed milk to keep the children alive? And if the sum of the payments is to remain indeterminate, then Austria claims that the whole future of the country is placed in the hands of a reparations' commission upon which Austrians have no representation.

IN England the clash between the coalition government and the forces of labor will certainly be hastened by Mr. Lloyd George's rejection of the Sankey report. For months British miners have waited for the government to accept that report and initiate a policy of gradual nationalization of the coal mines. Mr. Lloyd George now refuses to go ahead. In place of the Sankey reports he proposes partial government control, plus a charity fund to improve the living conditions of the miners. Not only is nationalization rejected, but Mr. Lloyd George proposes to take the royalty owners under cover by having the government buy them out on a very different basis of valuation from the one demanded by the workers. In effect he challenges the miners as obviously as possible, and either by political or industrial action it is certain that his challenge will be accepted.

A RECENT bulletin of the American Union Against Militarism calls attention to one point in the appropriation bills passed by the Republican Congress. For *general education* during the year ending June 20, 1920, Congress has set aside \$524,600. For *military drill* in high schools and colleges, during the same period, a sum almost eight times as large (\$4,000,000) has been appropriated. To make even a little sharper the misplaced emphasis, it is provided—by one of those odd turns common in Congressional action—that part of the small sum set aside for general education must be diverted "to the maintenance of reindeer stations in Alaska."

THROUGH its various phases the actors' strike in New York has followed faithfully the course of the ordinary strike in any other industry, from timber-cutting to the sewing of garments. A company union, made up of the non-strikers, is the latest development. And as is regularly the case with company unions, its organizers say that while they have not been inspired by the managers they are nevertheless "with" them. Next Mr. George Cohan becomes president of the union, and in words reminiscent of Mr. Gary assuring the steel workers that it is he who has their interests most at heart, declares "I have never been so much a friend of the actor as I am this minute." Finally the new union sets out to win the strikers individually away from their Association. Only in one respect does the actors' strike differ from all others: In this instance the strikers' case has had its fair share of the publicity.

WHEN John R. Shillady was mobbed in Austin, Texas—because he was a representative of the National Association for the Advancement of Colored People—the Association wired Governor Hobby asking whether steps had been taken to secure justice. The Governor replied: "Shillady was the only offender in connection with the matter referred to in your telegram, and he was punished before your inquiry came." If no protest is made by the people of Texas against this cheap defence of violence it will be an unfortunate reflection on the credit of the state. The Association Mr. Shillady represents does not aim to "stir up" the negroes—which was the excuse of the Austin mobbers—but to combat lynching and violence. It is hard to believe that responsible Southerners will accept this statement of Governor Hobby's in silence.

WITH profound respect we draw the attention of Woodrow Wilson and the Peace Conference to the following fact: the Victory Arch in New York is crumbling and is declared by the New York World to be a menace to life. The Victory horses have been reduced by rain to shapeless lumps of putty and the wings of Victory are about to fall off. "The entire work was so badly constructed that no allowance was made for additional weight. The framework was figured to hold only the weight of the monument, allowing for no excess weight, such as rain or snow, and allowing no pressure of severe storms. We have now reached a point of danger." Can the framework be reinforced? Perhaps. But ought not a Victory Arch be so constructed as to stand a few days of rain?

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